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# City of Detroit

## CITY COUNCIL

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TO: The Honorable City Council

FROM: David Whitaker, Director  
Legislative Policy Division Staff

DATE: July 29, 2014

RE: **REVIEW OF CONTRACTS AND PURCHASING FILES**

Attached is the list of contracts and purchase orders recommended by the Finance Department, Purchasing Division. The items are submitted to the City Council for referral to the Committees on July 29, 2014.

The comments and review of the Legislative Policy Division staff are printed in bold following the contracts.

### Attachments

cc:	Janice Winfrey	City Clerk
	Mark Lockridge	Auditor General
	Palencia Mobley	Mayor's Liaison
	Boysie Jackson	Purchasing Division
	Irvin Corley	Legislative Policy Division
	Marcell Todd	Legislative Policy Division

Statistics compiled for the list of Contracts and Purchases submitted for referral on July 29, 2014.

<b>Department</b>	<b>No. of Contracts or Purchase Orders</b>	<b>Detroit-Based Business Bids</b>	<b>Change, Extension Increases, Renewals</b>	<b>Located in Detroit</b>
Finance	1	0	1 Renewal	0
Inform.Tech.Services	1	0	0	0
Police	2	0	0	1
Transportation	3	0	1 Renewal	1
<b>Totals</b>	<b>7</b>	<b>0 Detroit-Based Business Bids</b>	<b>2 Renewals</b>	<b>2</b>

This list represents expenditures totaling \$ 1,909,933.18<sup>1</sup>

Included in the total costs are the following:

City General Fund	\$	263,226.50
Transportation Operating Fund	\$	483,100.00
Transportation Grants Fund	\$	1,163,606.68

<sup>1</sup> This list includes: Extensions/Renewals for 1 year, New contracts for 1 time purchases, and terms of 3 years.  
*Contracts and Purchase Orders submitted for City Council Session of July 29, 2014*

TO: The Honorable City Council

FROM: David Whitaker, Director  
Legislative Policy Division Staff

DATE: July 28, 2014

RE: **CONTRACTS AND PURCHASE ORDERS SCHEDULED TO BE CONSIDERED AT  
THE FORMAL SESSION OF JULY 29, 2014**

## **FINANCE**

2872963 100% City Funding – To Provide Printed Envelopes – Contractor: Husky Envelope Products, Inc., Location: 1225 E. West Maple, P.O. Box 868, Walled Lake, MI 48390 – Contract Period: November 1, 2014 through November 30, 2015 – Contract Amount: \$50,000.00

Contract Renewal

**Costs budgeted to General Fund, Acct. 1000-230070-000077-626100-00063-0-A5020, Appropriation for Treasury Division includes available funding of \$6,567,763 as of July 25, 2014.**

**This request is for a renewal of the contract for the purchase of printed envelopes for mailing and including with tax bills; According to information in the Purchasing file, the contract provides for the procurement of at least 9 different types of envelopes. Unit prices are indicated to remain the same for the renewal year.**

**According to the file, this contract was initially authorized for 1 year, November 28, 2012 through October 31, 2013, for a cost of \$20,236.25. It was below the \$25,000 threshold and did not require approval of the City Council. The contract included options to renew 2 additional years.**

**This request appears to be for the 2<sup>nd</sup> renewal year, Nov. 2014 through Nov. 30, 2015. The cost is indicated to be \$50,000. *City Council may wish to inquire if the \$50,000 is the estimated expenditures for this renewal, or if the \$50,000 represents the total authorized expenditures from November 28, 2012, and what the increase is for the requested 1 year renewal.***

**Contract checklist, received June 27, 2014, indicating the contract renewal is essential to obtain the envelopes required for mailing and return envelopes to be enclosed to receive tax payments.**

**Covenant of Equal Opportunity Affidavit signed 1-23-14;  
TAXES: Good Through 10-22-14 and 12-30-14;  
Hiring Policy Compliance Affidavit signed 1-23-14, Employment application provided complies;  
Slavery Era Records Disclosure Affidavit signed 11-7-12, indicating business established 1976, no records to disclose.**

***Contract 2853846 was also approved with Husky Envelope Products to provide envelopes for the Water & Sewerage Dept.; this contract was approved Dec. 6, 2011, for a term of 3 years, through October 31, 2014, for a cost of \$370,266.70; with options to renew 2 one-year periods.***

### **INFORMATION TECHNOLOGY SERVICES**

2895715 100% City Funding – To Furnish Maintenance and Repairs on UniSys Tape Drives – Contractor: Rohr Systems d/b/a CPU LLC, Location: 5033 Industrial Road, Suite #3, Farmingdale, NJ 07727 – Contract Period: August 1, 2014 through July 31, 2017 – Contract Amount Not to Exceed: \$36,000.00/3 yrs

**Costs budgeted to General Fund, Acct. 1000-310130-000134-622301-00024-0-A5020, Appropriation for Central Data Processing includes available funding of \$16,428,975 as of July 25, 2014.**

**5 Bids solicited, 2 Bids received on Open Market for services to maintain and repair UniSys Tape Drivers for the indicated term of 3 years; with options to renew 2 additional one-year periods. The Department indicates that only a few vendors can provide the maintenance or repairs due to the age of the equipment, parts have not been manufactured for several years. The initial communication from ITS requesting authorization from the Purchasing Division, indicated the Department required maintenance and repair of the Tape Drive units for 12 months, until data can be moved from the magnetic tapes to a virtual tape environment.**

**This request for a 3 year, and possibly 5 year term appears to indicate the Department plans have been modified.**

**The recommendation is for the Lowest bid received from CpuInc or Rohr Systems for \$10,600 per year (\$31,800 over 3 years); this bid does not include the costs for shipping units, to be repaired and returned.**

**Second Bid received from Jasper Group for a total of 45,600 over the 3 year term.**

**Specific unit cost submitted by Rohr Systems were for annual maintenance and repair of: Eight (8) MS843 Tape Drives at \$950 each for \$7,600; and Eight (8) DAT Tape Drives at \$375 each for \$3,000.**

**Contract checklist , received July 9, 2014, indicates this contract is essential to provide the services due to the age of the equipment; repairs and maintenance of the tape drives are important and could become urgent if Department one of the tape drives breaks down.**

**Covenant of Equal Opportunity Affidavit signed 6-18-14;**

**TAXES: Good Through 6-23-15 and 12-30-14;**

**Hiring Policy Compliance Affidavit signed 6-18-14, Employment application provided complies;**

**Slavery Era Records Disclosure Affidavit 6-18-14, indicating business established 1995, no records to disclose.**

## **POLICE**

2891896 100% City Funding – To Provide for Off Duty Police Officer Secondary Employment Tracking and Special Events Management Software System – Contractor: Cover Your Assets, LLC, Location: 6324 River Front Drive, Harrisburg, NC 28075 – Contract Period: February 23, 2014 through February 28, 2017 – Contract Amount Not to Exceed: \$107,686.50

**Costs budgeted to General Fund, Acct. 1000-370590-000165-617900-00119-0-A1081, Appropriation for Support Services Bureau includes available funding of \$34,919,473 as of July 25, 2014.**

**This contract was authorized as a Sole Source with Cover Your Assets, by Purchasing on July 24, 2014.**

**This request is for a new contract, with Cover Your Assets, for the Detroit Police Department's Secondary Employment Program. This proposed contract is to provide software to offer and track off-time services worked by Detroit Police Dept. employees to provide general security or Special Event security. Unique characteristics to Cover Your Assets indicated to include the ability to post and track jobs for officers to bid upon and self-schedule for working. Software also offers reporting on various metrics, including the Hours of non-department work available: by event, hours worked by officer, or hours selected and not worked by specific officer. This software has been customized to the Police Dept.'s specific use and requirements.**

**No details were provided for the costs; It appears to be \$35,895.50 per year.**

*This program was previously implemented through Contract 2827927, approved February 22, 2011, for a 3 year term and a cost of \$134,190. The previous contract included specific services to manage all technical aspects of the Secondary Employment Management System including: Daily backup, Disaster Recovery, Hardware repair and replacement as needed, Network security hardware, Server and operating systems, On-Site training for administrators and Coordinator trainers. The cost, for the previous contract, indicated to be \$42,230 per year Subscription fee, plus \$7,500 for training.*

**Contract checklist, dated April 3, 2014, indicates the contract is required for the software used to operate the Police Department's Secondary Employment program.**

**Covenant of Equal Opportunity Affidavit signed 7-3-14;**

**TAXES: Good Through 5-28-15 and 12-30-14;**

**Hiring Policy Compliance Affidavit signed, Not Dated, Employment application provided complies;**

**Slavery Era Records Disclosure Affidavit 5-20-14, indicating business established 2003, no records to disclose.**

**Police Department - continued**

2894883 100% City Funding – To Provide Vehicle Wash Service – Contractor: Downtown Auto Wash, LLC, Location: 1217 Michigan Avenue, Detroit, MI 48226 – Contract Period: July 1, 2014 through June 30, 2017 – Contract Amount Not to Exceed: \$69,540.00/3 yrs.

**Costs budgeted to General Fund, Acct. 1000-370675-000165-622100-00119-0-A1081, Appropriation for Support Services Bureau includes available funding of \$34,919,473 as of July 25, 2014.**

**5 Bids solicited, 3 Bids received on Open Market for the cleaning of City vehicles. According to information in the Purchasing File, Multiple awards are to be recommended for Vehicle Washing services, based on the location and proximity to the precinct stations. Department indicated their goal for at least 4 contracts with vendors in different parts of the City.**

**This proposed vendor, for the downtown area, replaces the previous contract with Z & Z Auto Wash, located at 1237 Mich. Ave. indicated to have gone out of business.**

**Downtown Auto Wash submitted the 2<sup>nd</sup> Low Bid; Costs bid include: \$5 per automobile, \$6 per SUV/Mini-van, and \$7 per Truck. The vendor indicates they have a peak capacity to service 70 vehicles per hour.**

***Contract 2894236 was recommended with the Lowest Bidder, Star Auto Wash, on July 8, 2014, for a term of 3 years and costs of \$75,000.***

**The 3<sup>rd</sup> Bid received from Celebrity Car Wash with a bid of: \$7.50 per automobile or Mini-van, and \$8 per Truck.**

**Contract checklist, received June 13, 2104, indicated this contract is essential for the maintenance and operation of City vehicles.**

**Covenant of Equal Opportunity Affidavit signed 5-16-14;**

**TAXES: Good Through 6-13-15 and 7-31-14;**

**Hiring Policy Compliance Affidavit signed 5-15-14, Employment application provided complies;**

**Slavery Era Records Disclosure Affidavit 5-15-14, indicating business established 2010, no records to disclose.**

***The City previously had 4 City-Wide contracts approved for Vehicle Washing Services, from May 2007 through May 2010, with Star Auto Wash (PO 2735066) for \$50,000, Jefferson Car Wash (PO 2735061) for \$150,000, Mr. C's Car Wash (PO 2735065) for \$90,000, and Z & Z Auto Wash (PO 2735067) for \$35,000. Contract with Mr. C's expired in 2010; Contracts with Jefferson Car Wash and Z & Z expired in 2012; Contract with Star Auto Wash expired in 2013.***

***3 Additional Vehicle Wash contracts were approved in 2008 for 3-year term through Feb. 2011, and renewed for 1 year through Feb. 2012 with Sanchez Auto Wash (PO 2745019), Turbo Auto Wash (PO 2745020), and M & D Auto Wash (PO 2745021). In addition to the Police Dept., other using Departments included: General Services, Transportation, and Water & Sewerage.***

## **TRANSPORTATION**

2819870 100% City Funding – To Provide High Pressure Cleaning of Storage Bay Floors – Contractor: T & N Services, Location: 2940 E. Jefferson, Detroit, MI 48207 – Contract Period: May 1, 2014 through April 30, 2015 – Increase Amount: \$483,100.00 – Contract Amount Not to Exceed: \$2,307,099.99

Contract Renewal requesting additional funds. Original contract amount \$1,823,999.99

**Costs budgeted to Transportation Operation Fund, Acct. 5301-200170-000055-622200-00149-0-A3550, Appropriation for Plant Maintenance includes available funding of \$12,972,977 as of July 25, 2014.**

**This requires is for the Renewal of this contract, and increasing the costs for the renewal by \$483,100.**

**This contract was initially approved June 1, 2010, for a term of 3 years, from May 2010 through April 2013, for a cost of \$1,591,200. The contract was renewed, through April 2014, on Nov. 26, 2013 with an increase of \$232,799.99.**

**Contract services include the cleaning of the terminal storage bays and the Rosa Parks Transit Center driveway. This is to remove oil and other waste materials to maintain the structures and reduces injury to employees. According to the Department, this vendor is performing services satisfactorily and recommend renewal of the contract.**

**Costs for the renewal appear to remain approximately the same: Monthly janitorial services at Coolidge for \$11,500/month; Monthly janitorial services at Gilbert Terminal at \$11,000/month; Monthly janitorial services at Shoemaker Terminal at \$8,700 per month; Monthly janitorial services at Rosa Parks Transit Center – driveway for \$5,500 per month; One-time high pressure cleaning – Initial Cleaning - at all 3 Terminals for \$30,000; One-time high pressure and additional cleaning at Coolidge for \$4,800; One-time high pressure and additional cleaning services at Gilbert Terminal for \$4,900; One-Time high pressure and additional cleaning at Shoemaker Terminal for \$3,000.**

**Contract checklist, dated May21, 2014, indicated this contract is essential for cleaning the bus terminal bays for employee safety.**

**Covenant of Equal Opportunity Affidavit signed 4-3-14;**

**TAXES: Good Through 5-21-15 and 8-15-14;**

**Hiring Policy Compliance Affidavit signed 4-4-14, Employment application provided complies;**

**Slavery Era Records Disclosure Affidavit 4-4-14, indicating no records to disclose.**

The Honorable City Council  
Contracts and Purchase Orders submitted for  
Referral on July 29, 2014

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**Transportation Department - *continued***

2893985 20% State, 80% Federal Funding – To Provide Road Construction for Warren Pierson Loop – Contractor: Pavex Corporation, Location: 2654 Van Horn Road, Trenton, MI 48183 – Contract Amount Not to Exceed: \$88,658.00  
One time purchase

**Costs budgeted to Transportation Grants Fund, Acct. 5303-208408-000058-631100-10330-0-DOT51, Appropriation for Federal/State Capital Grants includes available funding of \$131,389,290 as of July 25, 2014.**

**8 Bids solicited, 2 Bids received on Open Market for the road construction at the Warren / Pierson Loop.**

**This recommendation is for the Lowest Bid received from Pavex Corporation for \$88,658. Second Bid received from WCI Contractors for \$89,200.**

**Contract checklist, dated July 16, 2014, indicates this construction is required due to potholes in the roadway that may cause damage to the buses.**

**Covenant of Equal Opportunity Affidavit signed 6-18-14;  
TAXES: Good Through 7-12-15 and 12-30-14;  
Hiring Policy Compliance Affidavit signed 4-29-14, Employment application provided complies;  
Slavery Era Records Disclosure Affidavit 4-29-14, indicating business established 2010, no records to disclose.**



**Transportation Department - *continued***

2895814 20% State, 80% Federal Funding – To Provide Parts and Service for GFI Farebox System  
– Contractor: GFI Genfare, Location: 751 Pratt Boulevard, Elk Grove Village, IL 60007 –  
Contract Period: August 1, 2014 through July 31, 2017 – Contract Amount Not to Exceed:  
\$1,074,948.68/3 yrs

**Costs budgeted to Transportation Grants Fund, Acct. 5303-208529-000058-622100-10330-0-DOT51, Appropriation for Federal/State Capital Grants includes available funding of \$131,389,290 as of July 25, 2014.**

**This contract appears to have been authorized as a Sole Source; and is recommended for a 3-year term for a total of \$1,074,948.68 over the 3 year period.**

**Costs include a 5% discount on parts, estimated to cost \$895,084.18 over the 3 years, Parts manufactured by GFI Genfare;**

**Preventative maintenance services indicated to cost from \$120 to \$250 per hour;**

**Repair services to be charged at \$41.67 to \$235 per hour.**

**Contract estimates a annual requirement of 1,170 hours of service.**

**Contractor provides a 90-day warranty on labor and parts.**

**Contract checklist, dated July 17, 2014, indicates this contract is essential to repair fareboxes in order to collect and track revenue received from the fares.**

**Covenant of Equal Opportunity Affidavit signed 4-15-14;**

**TAXES: Good Through 6-10-15 and 12-30-14;**

**Hiring Policy Compliance Affidavit signed 4-14-14, Department requested a Waiver of this policy from Gary Brown as Chief Operations Officer, however, the Employment application provided complies;**

**Slavery Era Records Disclosure Affidavit 4-14-14, indicating business established 1980, no records to disclose.**

***Previous contract for the maintenance and repair of the Farebox System include: No 2861661 with GFI Genfare, approved April 24, 2012, for a term of 1 year and a cost of \$158,063.80.***

***No. 2717705 approved Oct. 13, 2006 with GFI GenFare, provided for the acquisition and installation of a complete validating bus fare box, revenue and data collection system, provide supplies and maintenance of the system for a 5 year term, through Oct. 12, 2011, for a total cost of \$8,106,167.86.***